

Working to lift the burden of rising health care costs on our small businesses so they can grow our economy and create jobs, Rep. Debbie Halvorson (IL-11) today announced that the nearly 15,000 small businesses immediately eligible for health care tax credits established in the new health insurance reform law will soon receive postcards from the federal government explaining the credits and how small businesses can take advantage of them.

"Our small businesses are the backbone of our economy, and the new tax credits provided by the health insurance reform law will help to strengthen them by lowering their costs and providing greater access to health care for their employees," said Halvorson. "I encourage all of our small business owners to look out for these post cards, and take full advantage of the tax credits in this new law."

Under the recently passed reforms, businesses under 50 employees face no additional requirements to provide insurance to employees, and many will be able to access the tax relief found in this bill to help them afford health insurance, where premiums for small businesses have gone up by 130% over the past decade. Businesses with 25 employees or fewer and less than \$50,000 in average wages are eligible for a tax credit that covers a portion of their health insurance premium costs, if the business covers at least 50% of the total premium cost for their employees. The tax credit is worth 35% of premium costs for small businesses with 10 or fewer employees and average annual wages of less than \$25,000.

Starting in 2014, the tax credit increases to 50% for small businesses with 10 or fewer employees and average wages below \$25,000. In 2006, approximately 76% of small businesses had fewer than 10 employees, and 86% of small businesses had fewer than 20.

For more information about how these health insurance reforms will benefit small businesses, [click here](#)